

Division of Securities
Utah Department of Commerce
160 East 300 South
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801) 530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:

BRUCE A. HILL

Respondent.

**STIPULATION AND CONSENT
ORDER**

Docket No. SD-06-0039

The Utah Division of Securities (Division), by and through its Director of Enforcement, Michael Hines, and Bruce A. Hill (Respondent) hereby stipulate and agree as follows:

1. Respondent is the subject of an investigation conducted by the Division into allegations that he violated certain provisions of the Utah Uniform Securities Act (the Act), Utah Code Ann. § 61-1-1, et seq, as amended.
2. Respondent and the Division have agreed to settle this matter by way of this Stipulation and Consent Order (Consent Order).
3. Respondent has had the opportunity to seek legal counsel and has chosen to represent himself.
4. Respondent admits the jurisdiction of the Division over Respondent and over the subject matter of this action.

5. Respondent waives any right to a hearing to challenge the Division's evidence and present evidence on the Respondent's behalf.

THE DIVISION'S INVESTIGATIVE FINDINGS

Since March 10, 2005, the Division has been conducting an investigation of Bruce A. Hill that revealed the following:

6. Bruce A. Hill (Hill) resides in Washington County, Utah. Hill holds himself out to be the owner-operator of Coral Hill Financial Trust (Coral Hill). Coral Hill has never been registered as a business entity in Utah.
7. In February 2003, Hill solicited a \$25,000 loan from an investor (Investor), and told Investor his money would be used to develop gas and oil wells in Corpus Christi, Texas.
8. On March 10, 2003, Investor agreed to loan Hill the money, and transferred \$25,000, via wire transfer, to Coral Hill's bank account. In return for the investment, Hill gave Investor a promissory note, which he had entitled "loan agreement". The promissory note stated that Investor would receive his \$25,000 initial investment, plus an additional \$50,000 (a return of 200%), on or before April 7, 2003.
9. Prior to his death in August 2004, Investor made numerous attempts to get his money back from Hill, with no success.
10. To date, Investor and his widow have received no return from the investment.

Misrepresentations

11. In connection with the offer and sale of a security to Investor, Hill made false statements, including, but not limited to, the following:

- a. That Investor's investment was "backed by an existing natural gas and oil lease with a Texas based oil company in Corpus Cristi (sic)", when, in fact, it was not; and
- b. That Hill would triple his investment in less than one month, when, in fact, Hill had no reasonable basis on which to make this representation. In the more than three years since he invested, Investor and his widow have received no return of principal or interest from their investment.

THE DIVISION'S CONCLUSIONS

- 12. Based on the Division's investigative findings, the Division concludes that:
 - a. The promissory note offered and sold by Hill is a security under § 61-1-13 of the Act; and
 - b. Hill willfully violated § 61-1-1 of the Act by making a misrepresentation of material fact in connection with the offer and sale of a security.
- 13. Hill admits the substance of the Division's investigative conclusions and consents to the Division entering an Order:
 - a. Requiring Bruce A. Hill to cease and desist from:
 - i. Selling or offering for sale non-exempt securities in any form in, or from the State of Utah until such time as the securities have been registered with the Utah Division of Securities in accordance with Title 61, Chapter 1, UTAH CODE ANN.;
 - ii. Transacting securities business in the State of Utah until such time as Respondent has become licensed as a broker-dealer, investment adviser, or

agent with the Utah Division of Securities in accordance with Title 61,
Chapter 1, UTAH CODE ANN.

- b. Requiring that while engaged in or in connection with the offer, sale or purchase of any security that Bruce A. Hill be prohibited from:
 - i. Employing any device, scheme, or artifice to defraud,
 - ii. Making any untrue statement of material fact, or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or
 - iii. Engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.
- c. Prohibiting Bruce A. Hill from failing to disclose the existence of this Consent Order when engaged in or in connection with the offer, sale or purchase of any security.
- d. Preventing Bruce A. Hill from aiding, abetting, counseling, inducing, or causing any other person to engage in any of the types of conduct described in the preceding paragraphs.
- e. Requiring Bruce A. Hill to pay a fine of thirty thousand dollars (\$30,000) to the Division of Securities, to be waived in its entirety when and if Hill pays Investor's widow twenty-nine thousand, nine hundred seventeen dollars (\$29,917), representing Investor's principal investment plus 6%, on or before Monday, July 31, 2006.

14. Hill acknowledges that this Consent Order, upon approval by the Division Director, shall be the final compromise and settlement of this matter. Hill further acknowledges that if the Division Director does not accept the terms of the Consent Order, it shall be deemed null and void and without any force or effect whatsoever.
15. Hill acknowledges that the Consent Order does not affect any civil or arbitration causes of action that third parties may have against Hill arising in whole or in part from Hill's actions, and that the Consent Order does not affect any criminal cause of action that a prosecutor might bring.
16. This Consent Order constitutes the entire agreement between the parties herein and supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements which modify, interpret, construe, or otherwise affect this Consent Order in any way.
17. Violation of this Consent Order is a third degree felony pursuant to § 61-1-21(1) of the Act.
18. Hill has read this Consent Order, understands its contents, and enters into this Consent Order voluntarily. No promises or threats have been made by the Division, nor by any member, officer, agent, or representative of the Division other than as contained herein, to induce Hill to enter into this Consent Order.

Utah Division of Securities

Date:

Aug 7, 2006

By:

[Signature]
Michael Hines

Director of Enforcement

Respondent

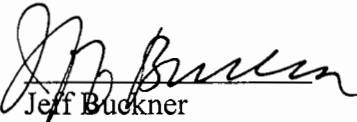
Date:

July 31, 2006

Bruce A Hill

Bruce A. Hill

Approved:


Jeff Buckner
Assistant Attorney General

D. H.

ORDER

Pursuant to the terms of the Stipulation and Consent Order defined above, the Director of the Utah Division of Securities hereby orders that:

- a. Bruce A. Hill CEASE and DESIST from:
 - i. Selling or offering for sale non-exempt securities in any form in, or from the State of Utah until such time as the securities have been registered with the Utah Division of Securities in accordance with Title 61, Chapter 1, UTAH CODE ANN.;
 - ii. Transacting securities business in the State of Utah until such time as Respondent has become licensed as a broker-dealer, investment adviser, or agent with the Utah Division of Securities in accordance with Title 61, Chapter 1, UTAH CODE ANN.
- b. While engaged in or in connection with the offer, sale or purchase of any security that Bruce A. Hill is prohibited from:
 - i. Employing any device, scheme, or artifice to defraud,

- ii. Making any untrue statement of material fact, or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or
- iii. Engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.
- c. Bruce A. Hill disclose the existence of this Consent Order when engaged in or in connection with the offer, sale or purchase of any security.
- d. Bruce A. Hill is prohibited from aiding, abetting, counseling, inducing, or causing any other person to engage in any of the types of conduct described in the preceding paragraphs.
- e. Bruce A. Hill pay a fine of thirty thousand dollars (\$30,000) to the Division of Securities, to be waived in its entirety when and if Hill pays Investor's widow twenty-nine thousand, nine hundred seventeen dollars (\$29,917), representing Investor's principal investment plus 6%, on or before Monday, July 31, 2006.

DATED this 14TH day of ^{August}~~July~~, 2006.

Wayne Klein

WAYNE KLEIN

Director, Utah Division of Securities



Certificate of Mailing

I certify that on the 15th day of August 2006, I mailed, by certified mail, a true and correct copy of the Stipulation and Consent Order to:

Bruce A. Hill
2788 Santa Clara Circle
Saint George, UT 84790

Certified Mail # 7006 0100 0001 7688 8862

Pamela Radzinski
Executive Secretary